GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:3449
ANSWERED ON:04.08.2017
ICAI Action on CAs
Gavit Dr. Heena Vijaykumar;Jayavardhan Dr. Jayakumar;Patil Shri Vijaysinh Mohite;Satav Shri Rajeev Shankarrao;Singh Shri Kunwar Haribansh;Sule Smt. Supriya Sadanand;Sundaram Shri P.R.

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the Institute of Chartered Accountants (ICAI) has poor track record on disciplinary front and has prosecuted only 25 Chartered Accountants (CAs) in the last 11 years and if so, the details thereof and the reasons therefor;

(b) whether the Government has complained against some CAs for their alleged links with shell companies, entry operators and major companies act violations and if so, the details thereof;

(c) if so, the total number of complaints received along with the number of CAs prosecuted during each of the last five years and the current year;

(d) the number of cases which are still pending along with the reasons for pendency, year-wise; and

(e) whether the Government is pushing the ICAI to take swift disciplinary action against CAs who are found guilty in the cases where the Government has complained and if so, the details thereof and response of ICAI in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS(SHRI ARJUN RAM MEGHWAL)
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(a) to (e): The Disciplinary Mechanism of the Institute of Chartered Accountants of India (ICAI) is governed by the Chartered Accountants Act, 1949 and the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.

Disposal of cases is a continuous ongoing process. The information about the disposal of cases during the last five years and the current year is as follows:

2012	2013	2014	2015	2016	2017	Total
Total Cases registered	266	427	443	480	460	474	2550
Total cases already dealt with	266	413	244	134	58	10	1125

As per information received from ICAI, in respect of 25 cases punishment of removal of names from the Register of Members for one year or more, including permanent removal was awarded.

The Ministry has issued directions to ICAI that where complaints have been received from Government Organizations, they should be dealt with in a strictly time bound manner as Public Interest is involved in such cases and disposal be ensured within the time limit laid down for each step.

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